

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Into
Implementation of Senate Bill 669, As It Affects
California High-Cost Fund A; California High-
Cost Fund B; Universal Lifeline Telephone
Service Trust; Payphone Service Providers
Enforcement; Telecommunications Devices for
the Deaf Interim Placement Committee; Public
Policy Payphone Program; and California
Teleconnect Fund.

Rulemaking 01-08-002
(Filed August 2, 2001)

**ASSIGNED COMMISSIONER'S RULING
SETTING WORKSHOP ON ADVISORY BOARD MEMBERSHIP ISSUES
AND ADDRESSING PROCESS AND SCHEDULE
FOR RESOLVING OTHER OUTSTANDING ISSUES**

By Decision (D.) 01-09-064 on September 21, 2001, the Commission adopted (1) interim charters, effective October 1, 2001, governing the advisory boards associated with the telecommunications programs which are the subject of this proceeding and (2) limited amendments to General Order (GO) 153. The Commission deferred all other issues.

Advisory Board Membership Issues

The single most controversial deferred issue, whether and how to change the membership of each advisory board, remains to be resolved. I have asked our Strategic Planning Division (SPD) to organize and oversee a workshop on this topic to be held on at the Commission, in San Francisco, on Wednesday, January 9, 2002, beginning at 9:00 a.m.

SPD has familiarity with the programs but unlike other staff divisions, no staff person in SPD serves as a liaison to or as a voting or non-voting member on any of these advisory boards.¹ By January, the current boards will have had three months' experience with the new regulatory environment mandated by Senate Bill (SB) 742 (Stats. 2001, Ch. 118) and SB 669 (Stats. 1999, Ch. 677) and this experience will no doubt inform their views about both the number and qualifications of board members, as well as related issues.

Below is a list of preliminary workshop issues. Each party who intends to participate in the workshop discussions should prepare a Preliminary Position Statement that addresses every issue on which the party has a view. On or before Friday, December 21, 2001 position statements shall be served on the service list, but not filed, and courtesy copies shall be sent by e-mail to Mark Vandervelden in SPD (mav@cpuc.ca.gov).

- Considering the mandates of Pub. Util. Code § 271(a),² for each advisory board at issue please list the interest groups or

¹ SPD assisted the Commission in preparing "Report to the California State Legislature by the California Public Utilities Commission Pursuant to Senate Bill 669 – A Transition Plan for the Telecommunications Public Purpose Program Funds," dated May 3, 2001.

² Pub. Util. Code § 271(a) provides:

The Commission shall establish the number of, and qualifications for, persons to serve as members of each board, and shall appoint the members of each board. In determining the qualifications of persons who will serve as members of each board, the commission shall consider the purpose of the program, and shall attempt to achieve balanced public participation, for each board. The membership of each board shall reflect, to the extent possible, and consistent with existing law, the ethnic and gender diversity of the state.

organizations who should be represented on the board and describe your rationale. In developing this response, please also consider the following issues and their implications, in any, for board structure:

- Should Commission staff divisions be afforded voting representation on any boards -- why or why not?
- Should the Universal Lifeline Telephone Service Trust Administrative Committee and Universal Lifeline Telephone Service Marketing Board be merged into a single advisory board as some prior comments have suggested?
- Should the Telecommunications Devices for the Deaf Interim Placement Committee (TPIC) be organized as a subcommittee of the Payphone Service Providers Committee (PSPC) as some prior comments have suggested? Should any other advisory boards formally establish subcommittees?
- Should members of formally established subcommittees, if any, be entitled to per diem and expenses for work authorized on behalf of those subcommittees?

Recognizing that party positions may change in the course of this process, Post-workshop Position Statements shall be filed after the workshop but no later than January 17, 2002.

Following the workshop and issuance of a workshop report for comment thereafter, I will oversee preparation of a draft decision on these issues for the Commission's consideration at a public meeting. At this time, I anticipate the draft decision will be ready for listing on a public meeting agenda late in the first quarter or early in the second quarter of 2002.

Other Issues

Below I have enumerated additional, outstanding issues which D.01-09-064 deferred for further input and consideration. At this time, I anticipate that the Commission will resolve these issues in a second interim opinion, following the receipt of comments and reply comments from interested parties. Comments and reply comments shall be filed and served, respectively, on December 21, 2001 and January 7, 2002, with courtesy copies sent by email to the assigned administrative law judge (vieth@cpuc.ca.gov).

- Should the Commission establish a budget reserve for the California High Cost Fund-A and High Cost Fund-B Administrative Committees and the California Teleconnect Fund Administrative Committee? Some prior comments recommend such a reserve, given the difficulty of accurately predicting carrier claims 13 months ahead, which the budget process necessitates. If you agree, please describe in detail how the proposal might be estimated, established, and administered.
- Should the Commission establish a schedule for financial and compliance audits of the California High Cost Fund-A and High Cost Fund-B Administrative Committees and the California Teleconnect Fund Administrative Committee? If you agree, please propose a workable schedule.
- Should the Commission adopt a uniform interest rate for late payment of reimbursement and carrier claims by the Commission? Presently, various Commission decisions apply either the three-month commercial paper rate or the seven-day compound yield on taxable money market funds published each Thursday in the Wall Street Journal. Several parties have suggested that application of a uniform rate would simplify the billing cycle payment process and speed review and payment of claims. Please describe the rationale for your support for or opposition to this proposal.

IT IS RULED that:

1. The Commission's Strategic Planning Division (SPD) will organize and oversee a workshop on advisory board membership and related issues to be held at the Commission, in San Francisco, on Wednesday, January 9, 2002 beginning at 9:00 a.m.

2. Each party who intends to participate in the workshop discussions should prepare:

- a. A Preliminary Position Statement that addresses the issues identified in the body of this ruling. On or before Friday, December 21, 2001, statements shall be served on the service list, but not filed, and courtesy copies shall be sent by email to the assigned administrative law judge (vieth@cpuc.ca.gov) and to Mark Vandervelden in SPD (mav@cpuc.ca.gov); and
- b. A Post-workshop Position Statement, which shall be distributed on or before January 17, 2002, in the same manner as the Preliminary Position Statement.

3. Comments and reply comments on other issues identified in this ruling shall be filed and served, respectively, on December 21, 2001 and January 7, 2002, with courtesy copies sent by e-mail to the assigned administrative law judge (vieth@cpuc.ca.gov).

Dated November 15, 2001, at San Francisco, California.

/s/ RICHARD A. BILAS

Richard A. Bilas
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Assigned Commissioner's Ruling Setting Workshop on Advisory Board Membership Issues and Addressing Process and Schedule for Resolving Other Outstanding Issues on all parties of record in this proceeding or their attorneys of record.

Dated November 15, 2001, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at

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(415) 703-2074 or TTY# 1-866-836-7825 or (415) 703-5282
at least three working days in advance of the event.